United Nations S/2007/349

Security Council

Distr.: General
14 June 2007
English
Original: French

Letter dated 11 June 2007 from the Chairman of the Security Council Committee established pursuant to resolution 1572 (2004) concerning Côte d'Ivoire addressed to the President of the Security Council

On behalf of the Security Council Committee established pursuant to resolution 1572 (2004) concerning Côte d'Ivoire, and in accordance with paragraph 7 (e) of Security Council resolution 1727 (2006), I have the honour to transmit herewith the report of the Group of Experts on Côte d'Ivoire (see annex).

In this connection, I would appreciate it if the present letter and its annex were brought to the attention of the members of the Council and issued as a document of the Council.

(*Signed*) Johan C. **Verbeke**
Chairman
Security Council Committee established pursuant to
resolution 1572 (2004) concerning Côte d'Ivoire

07-35517 (E) 190607 190607

Annex

CONFIDENTIAL

Letter dated 11 June 2007 from the Group of Experts on Côte d'Ivoire addressed to the Chairman of the Security Council Committee established pursuant to resolution 1572 (2004)

The members of the Group of Experts on Côte d'Ivoire have the honour to transmit herewith the report of the Group prepared pursuant to paragraph 7 (e) of Security Council resolution 1727 (2006).

The Group of Experts on Côte d'Ivoire

(*Signed*) Abdoul Wahab **Diakhaby**

(*Signed*) Grégoire **Bafouatika**

(*Signed*) Lipika **Majumdar Roy Choudhury**

(*Signed*) Oumar **Dièye Sidi**

Report of the Group of Experts on Côte d'Ivoire appointed by the Security Council pursuant to resolution 1727 (2006)

Summary

Developments in the political situation in Côte d'Ivoire since the signing of the Ouagadougou Agreement have made it possible to establish a new framework for peace and reconciliation between the two warring parties. However, the activities of the Group of Experts were hindered by the reticence of certain Ivorian stakeholders who questioned the need for a mission to verify the implementation of the Security Council embargo.

In their investigations, the experts found no gross violations of the sanctions. However, a number of the inspections carried out by the experts and the impartial forces in Côte d'Ivoire were obstructed, particularly by the Government's Defence and Security Forces. The recent establishment of an Integrated Command Centre should help to build confidence between Ivorian stakeholders and representatives of the international community.

The Group prepared two case studies, one concerning a violation of the embargo on arms and related materiel and the other concerning the negligent manner in which these sanctions have been implemented by the Ivorian authorities.

The experts also examined the status of the Ivorian army's air fleet and confirmed that there have been no Mi-24 (TU-VHO) helicopter flights since 26 October 2006.

With respect to individual sanctions, the Group took steps to verify the implementation of the assets freeze and travel ban imposed on three individuals designated by the Security Council Committee on 26 February 2006.

With regard to the exploitation of natural resources, the experts confirmed the lack of transparency surrounding the management of the most lucrative industries, such as petroleum and cocoa. Given the lack of data with which to conduct precise analyses, the Group of Experts believes that the revenues generated through the exploitation of these resources may have been used to defray military expenses or to finance services that are subject to sanctions.

Lastly, with respect to diamond exports, the experts obtained no specific information on possible violations of the embargo imposed in December 2005. However, they verified that production activity continues and they believe that, in all likelihood, smuggling networks are operating out of Côte d'Ivoire through Malian and Ghanaian smuggling rings, in particular.

Contents

		Paragraphs	Page
	Abbreviations		6
I.	Introduction	1–3	7
II.	Investigation methodology	4–8	7
III.	Developments in the situation in Côte d'Ivoire	9–19	8
IV.	Monitoring of the embargo	20–28	9
V.	Verification of air fleet capacity	29–44	10
	A. Case of the Mi-24	29–37	10
	B. Foreign technical assistance	38–44	11
VI.	Arms	45–71	12
	A. Follow-up to the deliveries of arms and ammunition by Federal Express and United Parcel Service	46–51	12
	B. Equipment ordered by the National Police of Côte d'Ivoire	52–62	14
	1. The "Tusk Trading" case	52–55	14
	2. The case of equipment delivered by the Imperial Armour company	56–62	14
	C. Private security and cash transport companies	63–71	16
VII.	Movements of weapons and combatants in border areas	72–74	17
VIII.	Natural resources and defence-related expenditure	75–90	18
	A. Natural resources	78	18
	B. Cocoa production in Government-controlled areas	79–82	18
	C. Cocoa smuggling	83–84	19
	D. Petroleum products	85–88	19
	E. Financial management of the Forces nouvelles	89–90	20
IX.	Individual sanctions	91–97	20
X.	The diamond embargo	98–123	21
	A. Principal mining sites	104–108	22
	B. Diamond dealers or smugglers	109–113	22
	C. Neighbouring countries: Mali and Ghana	114–116	23
	D. International trading centres: Belgium and the United Arab Emirates	117–123	24
XI.	Recommendations	124–137	25
	A. Monitoring of the embargo	124–126	25
	B. Mi-24 ammunition	127	25
	C. Foreign technical assistance	128	25

D. Arms 129–133 25
E. Natural resource management 134 26
F. Embargo on diamond exports from Côte d'Ivoire 135–137 26

Annexes

I. Meetings and consultations 27
II. Air waybill for one of the deliveries made by Imperial Armour 30
III. Import authorization for bulletproof vests for the 911 Security company 31
IV. Ghanaian certificate of origin No. 0000675 32

Abbreviations

ARCC	Coffee and Cocoa Regulatory Authority
BCC	Coffee and Cocoa Marketing Exchange
BIAO-CI	Banque internationale pour l'Afrique occidentale-Côte d'Ivoire
CCI	Integrated Command Centre
CECOS	Security Operations Command Centre
CFAF	CFA francs
CPCO	Operations Planning and Monitoring Centre
DUS	Droit unique de sortie (single export tax)
FACI	Force aérienne de Côte d'Ivoire
FAFN	Armed forces of the Forces nouvelles
FANCI	Forces armées nationales de Côte d'Ivoire
FDPCC	Coffee and Cocoa Producers' Development Fund
FDSCI	Defence and Security Forces of Côte d'Ivoire
FN	Forces nouvelles
FPI	Front populaire ivoirien
FRC	Financial Regulation Fund
FRGO	Force de résistance du Grand Ouest
GATL	Groupement aérien de transport et de liaison (Air Transport and Liaison Group)
GDP	Gross domestic product
IMF	International Monetary Fund
PDCI	Parti démocratique de Côte d'Ivoire
PMMC	Precious Minerals Marketing Company Limited
RDR	Rassemblement des Républicains
SGBB	Société générale de Banque Burkina Faso
SIB	Société ivoirienne de Banque
SIR	Société ivoirienne de Raffinage (Ivorian Petroleum Refinery Corporation)
UNOCI	United Nations Operation in Côte d'Ivoire

I. Introduction

1. By its resolution 1727 (2006) of 15 December 2006, the Security Council decided to renew until 31 October 2007 the embargo on arms or any related materiel; on the provision of any assistance, advice or training related to military activities; on the sources of financing, including from the exploitation of natural resources in Côte d'Ivoire, for purchases of arms and related materiel and activities; and on the export of rough diamonds. On 26 February 2006 the Security Council Committee established pursuant to resolution 1572 (2004) concerning Côte d'Ivoire also renewed the individual sanctions (an assets freeze and a travel ban) previously imposed on three people.

2. On 9 February 2007 the Secretary-General appointed five experts (S/2007/78) to evaluate information gathered by the United Nations Operation in Côte d'Ivoire (UNOCI) and the French forces supporting it in Côte d'Ivoire (Licorne), to gather all relevant information on flows of arms and related materiel and to conduct investigations on diamond exports from Côte d'Ivoire and on violations of the individual sanctions imposed on three Ivorian nationals. On 17 April 2007 the Secretary-General announced (S/2007/216) that the arms expert was unable to rejoin the Group for health reasons. During the mandate period, Mr. Claudio Gramizzi, a consultant to the Group, served as arms expert.

3. This document is the official report of the Group of Experts summarizing its conclusions and observations. It follows on from the Group's previous reports dated 18 July 2005 (S/2005/470), 7 November 2005 (S/2005/699), 31 March 2006 (S/2006/204), 5 October 2006 (S/2006/735) and 12 December 2006 (S/2006/964).

II. Investigation methodology

4. In its investigations the Group of Experts relied on incontrovertible documentary evidence. Where this was not possible, the Group required at least two independent credible sources to substantiate a finding.

5. The Group conducted investigations in a number of areas to determine whether violations of Security Council sanctions had actually taken place. The allegations made against States, individuals and companies were, to the extent possible, brought to the attention of those concerned to give them an opportunity to respond.

6. The Group's first meeting took place in the second half of March 2007 in New York. It held consultations with the Committee, several United Nations departments and certain Member States' permanent missions to the United Nations. Since 20 March 2007, with the exception of a period of less than one week, the Group has been continuously on mission in the field, primarily in Côte d'Ivoire, where it has maintained a permanent presence since 16 April 2007, visiting both Government-controlled areas and areas controlled by the Forces nouvelles.

7. In accordance with resolution 1727 (2006), the Group kept the Committee regularly updated on its activities by presenting two monthly activity reports. It also regularly exchanged, with UNOCI and Licorne, information on the measures taken to monitor the embargo. In addition, it cooperated with the Panel of Experts on Liberia appointed pursuant to resolution 1731 (2006), particularly on matters

concerning cross-border arms trafficking and the presence and recruitment of foreign combatants in the ranks of the warring parties in Côte d'Ivoire.

8. During its mandate, the Group visited the following countries: Côte d'Ivoire, Belgium, Burkina Faso, France, Ghana, Guinea, Liberia, Mali, South Africa, United Arab Emirates, United Kingdom and United States of America.

III. Developments in the situation in Côte d'Ivoire

9. The Ivorian peace process, which had been stalled for several months, took a clear step forward with the opening of a direct dialogue between the warring parties, which led to the signing of the Ouagadougou Agreement (S/2007/144) on 4 March 2007. This Agreement has helped to create a climate of peace and reconciliation between the two parties.

10. The timetable for the implementation of the Ouagadougou Agreement establishes deadlines for the completion of each stage within an overall 10-month implementation period ending on 4 January 2008. Subsequently, a presidential election will be held on a date yet to be determined.

11. The first stage in the implementation of the Ouagadougou Agreement was completed on 16 March 2007 with the signature of a presidential decree establishing the Integrated Command Centre (CCI), headquartered in Yamoussoukro.

12. On 26 March 2007 President Laurent Gbagbo appointed Mr. Guillaume Soro as Prime Minister of Côte d'Ivoire. Under the terms of the Agreement, Mr. Soro's tenure will end after the presidential elections, in which he cannot be a candidate.

13. On 7 April the Prime Minister announced the formation of a 33-member Government. Mr. Soro's team includes eight members of the Front populaire ivoirien (FPI), seven members of the Forces nouvelles, five members of the Rassemblement des Républicains (RDR), five members of the Parti démocratique de Côte d'Ivoire (PDCI), six representatives of other political parties and one member representing civil society.

14. On 12 April President Gbagbo published by ordinance an amnesty law covering all crimes against State security committed between 17 September 2000 and 4 March 2007. This law does not apply to financial crimes, war crimes or crimes against humanity.

15. The chiefs of staff of the Defence and Security Forces of Côte d'Ivoire (FDSCI) and the armed forces of the Forces nouvelles (FAFN), as well as the commanders of the UNOCI and Licorne forces, have concluded an agreement terminating the provisions that had formed the legal basis for the zone of confidence and the related security measures, with a view to dismantling the zone. This process began on 16 April with the dismantling of the Tiebissou and Djébonoua checkpoints, the installation of a UNOCI observation post along the green line in Ngatta Dolikro and the deployment of the first joint police unit. In late April two more joint units were deployed in the western part of the country.

16. There have been delays in relation to the timetable set out in the Ouagadougou Agreement with respect to the disbanding of militias, the assembly of combatants, the redeployment of the public administration throughout the national territory and the resumption of hearings for the purpose of identifying the population. This has

occurred essentially because the practical difficulties of undertaking these tasks were underestimated. Nonetheless, a ceremony marking the launch of the process of disbanding the Force de résistance du Grand Ouest (FRGO) was scheduled for 19 May in the town of Guiglo.

17. On 15 May the strength of the Licorne contingent was reduced by 500 men, bringing the number of soldiers to fewer than 3,000.

18. On 19 May a ceremony marking the launch of the process of disbanding the militias in western Côte d'Ivoire known collectively as the Force de résistance du Grand Ouest (FRGO) was held in the town of Guiglo. FRGO surrendered 1,027 weapons to President Gbagbo. After some of the weapons had been destroyed, the remainder were handed over to UNOCI. Despite wide media coverage of the ceremony and the emphasis placed on its importance, it should be noted that the stockpiles collected included a large number of weapons in a state of disrepair and non-automatic firearms.

19. Because the content of the Ouagadougou Agreement is not widely known, the view that the embargo and the sanctions against Côte d'Ivoire are no longer valid has spread rapidly in the various sectors of the Ivorian population. Reacting on the basis of that misperception, some of the individuals contacted by the Group expressed misgivings about the legitimacy of its mission.

IV. Monitoring of the embargo

20. In its report (S/2006/735), the Group of Experts noted that the porous nature of the ports of Abidjan and San Pedro made it likely that they would be used as points of entry for possible violations of the embargo on arms and related materiel, particularly given the lack of surveillance of the facilities. The situation has hardly improved, as evidenced by the absence of inspections of these sites.

21. The UNOCI embargo cell has nevertheless sought to develop closer working relations with the port authorities with a view to putting in place a permanent inspection team. Two agents from the airport cell have been redeployed to the Autonomous Port of Abidjan.

22. In addition, with the support of the consultant on the arms embargo, UNOCI has launched a training programme to better equip police units, military observers and troops of the military contingents to carry out inspections, with special emphasis on the assessment of risks based on shipping documents. However, since the consultant was engaged for a period of three months, his contract expired on 18 May 2007. In light of the considerable progress made in the planning of embargo inspections as a result of the work of the consultant, the presence of at least one permanent customs expert in UNOCI would help to ensure a better approach in terms of the selection and targeting of inspections.

23. In its previous report (S/2006/964), the Group of Experts noted the presence in the port of Abidjan of a scanner belonging to the company BIVAC International. This scanner was custom-built to help the customs authorities of the port to better prevent commercial fraud, given the volume of the traffic in consumer goods, and thereby fulfil their tax collection mandate. The scanner has been in operation since March 2007 and UNOCI should be able to use it to inspect the contents of containers targeted for inspection.

24. The UNOCI embargo cell responsible for planning the inspections to monitor compliance with the embargo has a database on arms and ammunition fed by inspection results, through which it is possible to verify the conditions under which the inspections are carried out and the size of the stock of weapons.

25. Note should be taken of the increasing number of cases of refusal to allow inspections that the impartial forces have encountered since the signing of the Ouagadougou Agreement of 4 March, particularly by the Defence and Security Forces of Côte d'Ivoire. Access has been denied despite the advance notice given by the impartial forces and the provisions of order No. 11.323/EMA/CCIAT/CON of 8 September 2006, in which the Chief of Staff of the Armed Forces of Côte d'Ivoire requested the units of the Defence and Security Forces to grant free access for embargo inspections. Systematic refusals to allow inspections have been encountered from units of the Republican Guard, the Office of the President, and the Security Operations Command Centre (CECOS). Access to the town of Gagnoa has also been denied.

26. For trivial reasons and even on pretexts, permission is often denied for some scheduled inspections, even though details of the inspections are communicated in advance to the Operations Planning and Monitoring Centre (CPCO), which has oversight of the selected institutions, whether the Defence and Security Forces or the armed forces of the Forces nouvelles (FAFN). This situation is an impediment to the exercise of the mandate of the impartial forces and responsibility for these acts lies with the chiefs of staff of the two camps.

27. The refusal and non-acceptance of inspections could complicate the task of determining the quantity of weapons and ammunition held by each camp, especially as differences are sometimes noted during periodic inspections of the same unit.

28. The collaboration between the Integrated Command Centre (CCI) established pursuant to the Ouagadougou Political Agreement and the UNOCI embargo cell should create an appropriate framework for facilitating the implementation of the mandate of the impartial forces to monitor the embargo.

V. Verification of air fleet capacity

A. Case of the Mi-24

29. The Group has continued to investigate the use of the Forces armées nationales de Côte d'Ivoire (FANCI) fleet of aircraft and of flights that may pose a threat to peace. It also conducted inspections of international flights to Côte d'Ivoire and of domestic flights.

30. The Mi-24 helicopter has not flown since 26 October 2006. Inspections by the Group of Experts have revealed that the aircraft is currently incapable of flying and that it would require maintenance before it could be put back into service. The Committee of the Security Council has received no request for permission for a test flight.

31. On 29 March 2007, the deputy commander of the Côte d'Ivoire air force (FACI) informed the Group that all of the ammunition intended for the Mi-24 had been sent under escort to Abengourou. The Group subsequently determined that the

ammunition was still stored at the Air Transport and Liaison Group (GATL) base in Abidjan, where the Mi-24 is stationed, and at the San Pedro airport.

32. An embargo inspection carried out by UNOCI on 27 February 2007 confirmed the exact location of the ammunition stored at the GATL base in Abidjan. The fire safety regulations on the storage of ammunition are mostly flouted and the potential dangers are real.

33. Moreover, the Mi-24 ammunition inspected by the Group during its previous mandate is still stored at the San Pedro airport. There too, the conditions under which it is stored together with other types of ammunition, notably 82-mm mortar shells, hand grenades and small-calibre ammunition (7.62 mm), are not at all satisfactory.

34. The Group of Experts is of the view that the storage of this ammunition at the GATL base in Abidjan and at the San Pedro airport poses a serious danger and recommends that it be moved under UNOCI escort and that the conditions under which it is stored be periodically inspected.

35. The impartial forces are often denied permission to carry out inspections on airport tarmacs. On 2 April 2007, for example, permission for a joint mission by the embargo cell and the Group of Experts to conduct an aerial inspection of the port of San Pedro, prior to more targeted inspections, was denied by the military authorities of the area.

36. A similar case occurred on 18 April 2007, when the offloading of several crates from an Antonov An-12-type aircraft at the Abidjan international airport was reported. The Ivorian military authorities, especially officials of the Gendarmerie, refused to cooperate with the inspection team and prevented access to the offloaded crates.

37. The experts were later able obtain a copy of the shipping documents that accompanied the transported equipment. The documents showed that no violation of the sanctions regime had taken place.

B. Foreign technical assistance

38. Particular attention was paid to monitoring of the maintenance of the FACI Mi-24 helicopter (registration TU-VHO) stationed at the GATL base in Abidjan.

39. When asked about the presence of foreign technicians, the FACI commander told the experts that the foreign technicians who performed the maintenance on the Mi-24 had left Côte d'Ivoire for good in late 2006, since their presence had been deemed to be a violation of the sanctions imposed by the United Nations. However, despite the Group's repeated requests, it has not received the list of these technicians. According to information received by the Group of Experts, the absence of the technicians is due to the long period of inactivity of the Mi-24 helicopter.

40. Since the Ivorian military authorities provided no evidence to confirm their departure, the Group has undertaken investigations with a view to tracing these technicians, though to date it has received no concrete information.

41. However, after several attempts, the Group succeeded in making telephone contact on 6 May 2007 with Mikhaïl Kapylou, a Belarusian national, identified as a

former official of the Ministry of Defence of Belarus, who was responsible for the defence contracts concluded with Côte d'Ivoire. He was presented in the previous report of the Group (S/2006/735) as one of the officials of R.M. Holdings with responsibility for, inter alia, the recruitment of foreign technicians for Côte d'Ivoire. The current status of the individual in question is technical adviser to the Ivorian Ministry of Defence.

42. In the course of this conversation, Mr. Kapylou acknowledged that he was still in the territory of Côte d'Ivoire. He, however, refused to accept the Group's invitation to meet with it, on the grounds that he needed the prior authorization of his superiors, which indicates that he still has direct relations with the Ivorian authorities. Even though it failed to obtain information on his current activities, the Group is of the view that the presence of Mr. Kapylou in Côte d'Ivoire, his status as a technical adviser in the Ivorian Ministry of Defence and his refusal to meet with the experts suggest that he may still be involved in providing the above-mentioned services.

43. In a reply addressed to the previous Group concerning the identification of three technicians, Ivan Bohach, Dzmitry Lapko and Uladzimir Niadziuzhy, the Government of Belarus confirmed that the individuals in question were all Belarusian nationals.

44. Following the publication by the Ivorian daily *Le Rebond*, on 30 March 2007, of an article about the presence of armed foreign fighters in certain towns of Côte d'Ivoire, the Group launched investigations to verify this information and made contact with the journalist who wrote the article. The Group has been unable to confirm the information.

VI. Arms

45. In view of the limited duration of its mandate and the uneven cooperation received from the different parties to which requests were made, the Group of Experts was able to conduct detailed investigations into only a limited number of cases of violation of the embargo on the supply of military and related equipment. These violations do not constitute significant threats to the peace and reunification process which began with the signing of the Ouagadougou Agreement.

A. Follow-up to the deliveries of arms and ammunition by Federal Express and United Parcel Service

46. The previous report of the Group of Experts (S/2006/964, sect. II.B) presented two case studies involving an Ivorian national named Yssouf Diabaté. The first case concerned the export to Côte d'Ivoire of ammunition of various calibres, which was seized upon arrival in Abidjan in September 2006. The second case involved an attempt to ship to Côte d'Ivoire handguns and other related material by courier service from the city of San Diego in the United States of America. Following this attempt, Mr. Yssouf Diabaté was arrested by American law enforcement authorities on 26 September 2006.

47. On 7 May 2007, the United States district court (Southern District of California) ruled on the charges against Yssouf Diabaté, sentencing him to

48 months in prison, a fine of $12,500 and three years of supervised release following his release from prison. Since the arrest of Mr. Diabaté, this case has been treated exclusively as a violation of the national law of the United States of America. The accused was convicted on one count of attempted export of defence articles without a licence and one count of smuggling goods from the United States.

48. On 18 May 2007, a delegation comprised of the experts and the UNOCI embargo cell visited the high command of the Gendarmerie of Côte d'Ivoire to enquire about the follow-up to the investigation into the importation of ammunition shipped from Brooklyn on 22 September 2006 by the courier service Federal Express. The Group noted that there had been no significant progress in the investigation being carried out by the Gendarmerie since the Group's previous visit on 16 November 2006. It should be noted, moreover, that UNOCI has never inspected the seized package, thus failing to implement the provisions of Security Council resolution 1739 (2007). At this meeting, the experts were not granted access to the package containing the ammunition. Subsequent attempts to inspect the package were fruitless.

49. On 29 March, the Group met with officials of the National Police. During the meeting, the Director General stressed the need of the police for law enforcement equipment. Based on a note of 8 December 2006 evaluating the security and public order situation prepared by the Director General of the National Police for the Minister of Security, and on the conclusions of a tour made some days beforehand to take an inventory of all of the conventional law enforcement equipment available in all districts and at the disposal of the intervention units in Abidjan, the police officials stressed the need to acquire new equipment. The note concluded that the stock of equipment was limited and insufficient to ensure that the police officers were able to fulfil their duty to protect persons and property effectively and without jeopardizing their own security.

50. The police authorities also underscored the inability of their institution, when faced with large-scale and frequent public demonstrations, to maintain law and order because of the lack of adequate technical equipment. In this connection, they pointed out that the previous six police graduating classes were not equipped with hand weapons (9-mm automatic pistols) because the State had insufficient stocks of this specific type of weapon.

51. The experts stressed the need for the Ivorian National Police to comply with the appropriate procedures for obtaining an exemption prior to the purchase of any equipment, in accordance with the relevant guidelines established by the Sanctions Committee. The Ivorian police currently appear to be inadequately equipped and hardly capable of meeting the challenges of maintaining law and order without weapons. The experts are therefore of the view that the equipment needs of the National Police of Côte d'Ivoire are genuine, particularly for their efforts to combat urban insecurity and with an eye to the redeployment of the administration into the zones in the north of the country and to providing security for the preparation and conduct of the elections.

B. Equipment ordered by the National Police of Côte d'Ivoire

1. The "Tusk Trading" case

52. On 30 April 2007, the Group of Experts met with Mr. Michel Ferdinand Vandenbosch, the owner and Managing Director of the company Tusk Trading Pty Ltd., which was implicated in an attempt to violate the embargo on the supply of arms and related materiel to the National Police of Côte d'Ivoire and whose case is dealt with in greater detail in the previous report of the Group of Experts (S/2006/964).

53. Mr. Vandenbosch told the experts that the company Tusk Trading Pty Ltd. is an offshore company registered in the British Virgin Islands (registration No. 639935) which has only an office in South Africa. As such, according to him, the company needs no authorization from the South African authorities for its arms brokerage activities. He also informed the Group that his company's bank account with the Cypriot bank Hllenk Bank (account No. 591 07 370672 01), into which the Central Bank of Côte d'Ivoire had deposited an advance of US$ 903,933 for the purchase of equipment, had been blocked since the contract between Tusk Trading Pty Ltd. and the Ivorian Police was made public by the Group of Experts. According to Mr. Vandenbosch, this situation adversely affects all of the company's other commercial activities, especially since funds from other sources are allegedly also blocked in the account in question.

54. However, the experts have obtained conflicting information according to which, between November 2006 and mid-May 2007, Mr. Vandenbosch made transfers of several tens of thousands of dollars from the same account and no other deposit was made to the account.

55. Mr. Vandenbosch also stated that the equipment specified in the contract with the officials of the National Police of Côte d'Ivoire had never been ordered from the suppliers, since the transaction had been interrupted prior to payment. He confirmed furthermore that the company Tusk Trading Pty Ltd. had every intention of executing the contract as soon as the Committee of the Security Council granted the necessary exemption, and that it would deal thereafter with another supplier because of the sanctions regime imposed on the Islamic Republic of Iran, where his original supplier was based. In addition, in view of the price increases that had taken place since the signing of the contract with the Ivorian National Police in late 2005, and in the absence of any additional financial support, the new contract would certainly be for a smaller quantity of equipment.

2. The case of equipment delivered by the Imperial Armour company

56. The Group of Experts obtained the shipping documents (see annex II) for the shipment to Côte d'Ivoire of military equipment for the National Police by the company Imperial Armour, whose head office is in South Africa. The equipment was delivered to the Félix Houphouët-Boigny airport by the airline Ethiopian Airways flying the route Johannesburg-Addis Ababa-Abidjan between November 2006 and January 2007. The equipment consisted of bulletproof helmets, riot control shields and individual protectors for the arms and legs. The gross weight of the equipment totalled at least 1,104 kilograms.

57. During its meeting of 29 March 2007 with the officials of the National Police, the Group was not informed of this operation and the Director General stated that the police had placed no further orders for equipment after the order placed with Tusk Trading Pty Ltd., which had been made public by the Group in its report S/2006/964.

58. On 2 May, the experts visited the offices of the Imperial Armour company in Kloof (Kwazulu-Natal), where they met with the Managing Director, Ms. Louisa Garland. During the meeting, the Managing Director acknowledged having supplied the equipment in question and confirmed that the order had been registered in September/October 2006 at the direct request of the National Police of Côte d'Ivoire and that delivery had been made after payment of the full amount of the order. However, the Managing Director of Imperial Armour was unwilling to provide the experts with more details about the contract and the value of the transaction, which, according to her, could jeopardize an order that was already under negotiation with the same client. She therefore limited herself strictly to confirming the delivery of the equipment while pointing out that, with reference to the documents presented by the experts, the ballistic helmets mentioned in the shipping documents were not bulletproof but simply for riot control. The argument advanced was that the designation in the airway bill had been established by the carrier without precise knowledge of this type of equipment. This hypothesis hardly seems credible, given that the other references on the airway bill are fully consistent with the articles which Imperial Armour acknowledges having delivered, suggesting that the airway bill had been prepared on the basis of an invoice.

59. On 6 May, the experts met with Divisional Commissioner Killy, Deputy Director General with responsibility for law enforcement, and with the official in charge of the armoury of the Côte d'Ivoire National Police. Questioned by the experts about the contract for the supply of equipment by the Imperial Armour company, the representatives of the National Police stated that they had no knowledge whatsoever of the contract and that they had not received the equipment in question. The Deputy Director General promised to provide the Group with any additional information that he obtained after checking with the Finance Department of the Ministry of National Security, which is the competent authority to place orders on behalf of the National Police, and with the forwarding agent of the Ministry of Defence, who is also responsible for completing the formalities for taking delivery of any shipment addressed to the National Police. Also, on 7 May, the experts transmitted to the Deputy Director General for law enforcement certain information on the basis of which he could request as much information as possible about this purchase of equipment and brief the Group about this operation. The Group provided him with the contact information of the supplier and an airway bill number. Since then, the Group has received no additional information about the transaction.

60. The Group was unable to physically inspect the equipment in question and was therefore unable to determine the quantity and exact nature of the items delivered. It is nevertheless clear that the importation of the helmets referred to in the shipping documents would constitute a violation of the embargo on arms and related materiel, unless an exemption was granted by the Committee of the Security Council pursuant to paragraph 8 (b) of Council resolution 1572 (2004).

61. The Group notes that, despite the rejection by the Sanctions Committee on procedural grounds of the request made by the Government of Côte d'Ivoire in connection with the order placed by the National Police with Tusk Trading Pty Ltd. and the explanations given about the procedure that must be followed in order to receive an exemption, the authorities seem to disregard all of this in their procurement of equipment for the Defence and Security Forces. Indeed, the purchase of this equipment from Imperial Armour took place after the previous Group had met with the outgoing Minister of Security, Joseph Dja Blé, and Divisional Commissioner Killy to discuss the case of Tusk Trading Pty Ltd.

62. While acknowledging the equipment needs of the National Police, regarding the two orders already placed and the one about to be placed, according to the Managing Director of Imperial Armour, the Group notes a lack of cooperation and transparency on the part of the Ivorian authorities.

C. Private security and cash transport companies

63. The Group of Experts held work sessions with several officials of private security firms that provide services in Abidjan. The Group was forced, because of the limited duration of its mandate and the large number of firms operating in that area, to select some interlocutors and restrict its meetings to companies it considered the most representative and most adequately resourced.

64. Information obtained by the experts indicates that some private security firms are allowed to import materiel other than that authorized by the existing legislation (Decree No. 2005-73 of 3 February 2005). The list of equipment provides for the use of defensive sprays, clubs, rubber bullet weapons and paralysing or immobilizing gas. Accordingly, some security companies use, inter alia, firearms and bulletproof vests for certain jobs. However, only cash transport firms and close protection officers or bodyguards are authorized to carry firearms.

65. The police officials interviewed also acknowledged that profound changes had occurred in the private security firms sector since the outbreak of the crisis, resulting in an explosion in the number of such firms because of the heightened insecurity and the weakened capacity of the relevant authorities to exercise their oversight and regulatory functions. The provisions in preparation together with the 2005 legislative amendment should help to better regulate this profession.

66. In a very small number of cases, the company representatives met by the Group acknowledged that they bought arms and related materiel outside Côte d'Ivoire, given the supply problems created by the existing embargo on arms and related materiel. Therefore, such equipment would have been acquired in violation of the embargo on arms and related materiel.

67. In the course of its investigations, the Group of Experts took up the case of the import by a security firm of materiel. On 8 March 2007, Ivorian customs officers based at Abidjan airport seized materiel exported from France by the Toulouse-based company Eclats Antivols. The importer of these items was Mr. Dominique Henri Amata, a French national and Director of the private security firm "911 Security", with offices in zone 4 in Abidjan's Marcory district. According to the investigation report prepared by the Ivorian national police (intelligence and documentation service), the items intercepted comprised 60 handguns (55 GC54

Gom-cogne pistols and 5 flash-ball guns), 300 rounds of 12/50-calibre ammunition for Gom-cognes (rubber ammunition for non-lethal weapons), 10 metal detectors and 8 500w projectors equipped with radar detectors.

68. On 6 June 2006, Mr. Amata had been issued import authorization No. 0001340 (see annex III) by the Ministry of Security of Côte d'Ivoire for the import of 60 type 54 Gom-cogne pistols, 60 bulletproof vests and 2,500 rounds of 12/50-calibre rubber ammunition. Upon discovering discrepancies between the items actually imported and the equipment listed on the authorization, customs officials at the airport temporarily seized the shipment. The importer subsequently took possession of the materiel.

69. Following verification with 911 Security, Mr. Amata gave the Group a copy of the bill issued by the French supplier. Except for a few inaccuracies, it matched the list contained in the police report; the quantity of ammunition mentioned therein was 37 units (30 rubber bullets and 7 flash-ball bullets).

70. Questioned about the transaction and the discrepancy between the ministerial authorization and the bill, the Director of 911 Security told the experts that he had not completed the purchase of bulletproof vests owing to the refusal of the French supplier, who had not wanted to be involved in the transfer of goods subject, pursuant to European Union directives, to the existing embargo against Côte d'Ivoire.

71. The reluctance of the authorities to provide information to the Group despite repeated requests and the problems that those same authorities are having in regulating the profession appear to confirm the Group's feeling that the security firms may be violating the embargo on arms and related materiel.

VII. Movements of weapons and combatants in border areas

72. The Group was unable to confirm the persistent allegations concerning the presence of foreigners, especially from Liberia and, to a lesser extent, from Burkina Faso and the Republic of Guinea, in the ranks of some Ivorian militias or paramilitary groups. It should be noted, however, that the information gathered through close cooperation with the Panel of Experts on Liberia (appointed pursuant to resolution 1689 (2006)) proves that some individuals who were either involved in the Liberian conflict or are accused of recruiting Liberian ex-combatants (see the report of the Panel of Experts on Liberia (S/2005/360)) were present at the ceremony held in Guiglo to mark the beginning of the disarmament of the militias of western Côte d'Ivoire on 19 May 2007.

73. There have been consistent reports that the networks of militias formerly active in Côte d'Ivoire and Liberia are still in place and could be quickly reactivated in response to developments in the situation, especially since the current socio-economic situation in the region makes enrolment an attractive option for many young people.

74. The weapons collection programme could also spark movements of combatants and cross-border trafficking — probably of low intensity — to transport weapons collected in neighbouring countries to Côte d'Ivoire for the cash rewards (safety net) which will be offered for every weapon turned in. In April 2007, United

Nations military observers reported an attempt to buy back weapons near the border between Côte d'Ivoire and Liberia.

VIII. Natural resources and defence-related expenditure

75. The Group requested specific information from the national and international financial institutions concerning the expenditure of the Ministries of Defence and Security. The lack of response from the national authorities to the Group's requests made it difficult for it to examine spending on the acquisition of embargoed materiel or services.

76. Data for the fiscal year 2006 show that the defence budget was equivalent to 1.5 per cent of GDP. However, this figure should be considered an estimate because of the lack of an actual figure for defence expenditure, since other budgets, including the "sovereignty expenditure" budget, could also be used to cover similar spending.

77. Total sovereignty expenditure rose from 4.4 per cent of total expenditure in 2004 to 6.4 per cent in 2006, amounting to 5 per cent of GDP, which is more than what is spent on the health and education sectors.

A. Natural resources

78. The Group restricted its investigations to the two natural resources that generate the highest revenues — cocoa and petroleum products — since conditions did not exist for carrying out detailed investigations into all the areas of exploitation of natural resources, given the narrowness of its mandate and difficulties in establishing a dialogue with the Ivorian stakeholders.

B. Cocoa production in Government-controlled areas

79. The Group confirms that the cocoa sector continues to be the main revenue earner for the Government, enabling it to cover a considerable portion of its needs. Despite pressure from international institutions (the International Monetary Fund (IMF), the World Bank and the European Union), the Ivorian authorities have not taken any specific measures to improve the management of the four quasi-Government agencies operating in that area and reduce parafiscal charges. The bodies concerned are the Coffee and Cocoa Marketing Exchange (BCC), the Coffee and Cocoa Regulatory Authority (ARCC), the Financial Regulation Fund (FRC) and the Coffee and Cocoa Producers' Development Fund (FDPCC). Despite repeated attempts, the Group was able neither to meet with the quasi-Government agencies concerned nor to obtain further explanation on the use of the parafiscal levies collected for 2001 to 2006, estimated at nearly CFAF 549.9 billion.

80. The single export tax on cocoa (DUS) levied by the State was increased from CFAF 180 per kilogram to CFAF 220 in August 2002. The Group was informed, however, that the practice of advance payment of DUS continues and remains shrouded in the utmost secrecy.

81. There is a lack of transparency in the management of the levies on cocoa in general, and the management of the related bank accounts in particular, apart from the corporate accounts maintained by the quasi-Government agencies.

82. The financial audit requested by the Ivorian Government and financed by the European Union turned up account numbers requiring two signatures (Minister of Agriculture and Minister for the Economy and Finance) which are not included in the accounts of those Ministries. The audit also showed that there were no explanations about how funds are used, since such funds are not subject to accounting control. The conclusions of the financial audit were confirmed by the judicial audit (assessment of the organizations and procedures of the coffee and cocoa sector of Côte d'Ivoire) published in May 2007. The European Union-funded assessment was conducted at the request of the Ivorian Government. The legal audit found that the oversight bodies of the coffee and cocoa sector use many practices and procedures that violate national laws. Thus, revenues managed by these quasi-Government agencies have been used for purposes other than those for which they were intended, causing losses for the sector.

C. Cocoa smuggling

83. The Group found that a substantial quantity of Ivorian cocoa produced in areas controlled by the Forces nouvelles, nearly 10 per cent of national output, is exported abroad through the ports of Togo and Ghana. The Group was not able to identify the beneficiaries and use of the revenue from these exports.

84. The information obtained by the Group during its mission to Ghana confirmed that Ivorian cocoa was being smuggled to Ghana. The Ghanaian authorities who were interviewed on the matter noted that cocoa smuggling was on the decline and that it was due to the more attractive prices offered in Ghana. Some seizures of small quantities have reportedly been made over the last few months. Since 2000, the Ghana Cocoa Board has established a monitoring mechanism to prevent the smuggling of Ivorian cocoa into the country.

D. Petroleum products

85. The petroleum sector is becoming increasingly vital to the Ivorian economy. All the efforts by the Group to secure a meeting with the managers of the Ivorian Petroleum Refinery Corporation (SIR) have been in vain; the management refuses to grant any appointments without the prior authorization of its supervisory ministry.

86. The Group was informed by IMF that since 2006 petroleum product exports have outstripped cocoa exports. The share of petroleum exports in total exports rose from 26.3 per cent in 2005 to 32.3 per cent in 2006, while that of cocoa during the same period fell from 27.6 to 25 per cent.

87. A World Bank-funded audit of the sector is currently being conducted by the State; the report is expected to be published in June 2007.

88. The Group believes that, given the lack of transparency in the management of the sector, special attention should be paid to the use of revenue from the petroleum sector.

E. Financial management of the Forces nouvelles

89. The Forces nouvelles established in early 2004 a body called the Resource Management Centre (usually referred to as the Centre) responsible for the economic and financial management of the area under their control. The Centre operates through field offices set up in each of the 10 military zones and run by regional managers. It has established a system of taxation of goods entering and exiting the area under Forces nouvelles control. According to its Director General, each manager has funds to cover the needs of his zone. However, when pressed, the Director General refused to give specific details as to what those needs entail, referring vaguely to the need to ensure that the basic needs of the Forces nouvelles and the local population are met.

90. The Group believes that the revenue managed by the Centre might also be used to purchase military equipment.

IX. Individual sanctions

91. Pursuant to the provisions of paragraph 1 of resolution 1727 (2006), the Security Council decided to extend until 31 October 2007 the individual measures involving a travel ban and assets freeze imposed under paragraphs 9 and 11 of resolution 1572 (2004) on three Ivorian nationals, namely Charles Blé Goudé, Eugène N'goran Kouadio Djué and Martin Kouakou Fofié.

92. In order to verify that these individual sanctions were being implemented, the Group travelled to all the countries bordering Côte d'Ivoire and followed up on the approach initiated by the previous Group for the verification of financial assets with some banking establishments in Côte d'Ivoire and abroad.

93. Since the authorities of the neighbouring States have only a sketchy knowledge of the individual sanctions, the scope of the measures adopted at the national level to ensure the implementation of those sanctions remains limited.

94. With respect to the follow-up of the information provided in the previous reports (especially S/2006/735), the Group again contacted the Banque internationale pour l'Afrique occidentale-Côte d'Ivoire (BIAO-CI), where Martin Kouakou Fofié maintains an account. To date, the Group has not received any replies. Similarly, the information requested by the Group during its mission to Burkina Faso from the Société générale de Banque Burkina Faso (SGBB) of Ouagadougou on the account maintained at that bank by Mr. Fofié was not sent to the experts before their mandate expired.

95. In response to the experts' request for information, the Société ivoirienne de Banque (SIB), where Eugène N'goran Kouadio Djué is listed as a customer, confirmed the information obtained by previous Group and stated that there have been no transactions in Mr. Djué's favour since 2001.

96. Following the remarks made in the previous report (S/2006/964) about an account in Ghana in the name of an individual called Martin Fofié, the Group was informed by the Bank of Ghana that the sum of money deposited in that account was negligible and that there had been no transactions for some time (no specific duration). The Bank of Ghana also informed the Group that the investigation into that matter had been stopped.

97. The table below shows a list of the banks contacted to verify whether the three individuals subject to sanctions had any accounts there.

Bank	*Date of letter*	*Date of reply*	*Response*	*Remarks*
La Poste, Paris	24 April 2007	Awaiting reply		
BNP Paribas	24 April 2007	Awaiting reply		
Crédit Lyonnais, Paris	24 April 2007	11 May 2007	No account	
Bridge Bank Group, Abidjan	25 April 2007	11 May 2007	No account	Oral reply
Onmifinance, Abidjan	25 April 2007	15 May 2007	No account	Oral reply
Versus Bank, Abidjan	25 April 2007	Awaiting reply		
CNCE, Abidjan	25 April 2007	Awaiting reply		
BHCI, Abidjan	25 April 2007	15 May 2007	No account	Oral reply
BRS, Abidjan	25 April 2007	Awaiting reply		
Ass. Société Assurances, CI, Abidjan	25 April 2007	14 May 2007	No account	Oral reply
CICA, Abidjan	25 April 2007	14 May 2007	No account	Oral reply

X. The diamond embargo

98. Security Council resolution 1643 (2005) imposed an embargo on the export of diamonds from Côte d'Ivoire. The Group of Experts in its previous reports (S/2005/699, S/2006/204 and S/2006/735) had stressed that diamonds were an important source of revenue, particularly for the Forces nouvelles. Despite the embargo, Ivorian diamonds are most probably still entering the international supply chain.

99. As part of its investigations, the Group visited the diamond area controlled by the armed forces of the Forces nouvelles (FAFN), where it spoke with mine labourers, village authorities, rogue traders and some elements of the Forces nouvelles. On 4 May 2007 in Bouaké, the Group met the Director General of the Centre together with his senior officials. According to them, the Forces nouvelles have no interest whatsoever in diamond production, from which they derive no revenue.

100. In the Government-controlled area, the Group met the technical experts of the Ministry of Mines and the Côte d'Ivoire State mining company, SODEMI.

101. The Group also held discussions with the UNOCI embargo cell, which undertakes monthly surveillance overflights of the diamond-mining areas. It should be noted that such overflights, which were recommended by the previous Group of Experts, are still being undertaken although, following the signing of the Ouagadougou Agreement, the cell has been assigned new priorities by the UNOCI Commander pursuant to note No. 022/FHQ-FC of 7 March 2007.

102. Lastly, as part of its investigations, the Group undertook a number of visits to some neighbouring countries in order to cross-check the information gathered in the field and verify the measures taken to prevent any exports of diamonds from Côte d'Ivoire.

103. Last but not least, the Group also looked at dealers, neighbouring countries and some international diamond trading centres.

A. Principal mining sites

104. During its stay in Côte d'Ivoire, the Group visited the diamond area in the FAFN-controlled northern part of the country twice. The first visit was undertaken in April 2007 jointly with the embargo cell. It consisted of an overflight of Tortiya and visits to the Bobi and Diarabana mining sites. There was a lull in mining activity during that period.

105. In May 2007, the Group visited Bobi once again with the authorization of the Forces nouvelles, whose camp is close to the village. The Group, accompanied by some FAFN elements, had access to the mining site on the Bobi dyke. The Group observed sustained, well-organized mining activity carried out by miners under the supervision of the Forces nouvelles.

106. At the Wongué site, the Group encountered about 30 people in a makeshift camp. Access to the site was denied by the artisanal miners, who claimed that the authorization of the landowners was required. They did state that they mined small rough diamonds that are typical of the area.

107. There is reportedly a dyke that is yet to be mined at Toubabouko. This reserve had been identified by SODEMI some time before the onset of the crisis in 2002. Reports suggest that this reserve belonging to SODEMI in the locality of Krimilé is currently being mined by the Forces nouvelles.

108. The Group was informed at all the sites of mining activity it visited about the method of allocation of the sales income, on which the Forces nouvelles levy a tax of 8 per cent. Some 3,000 to 5,000 people reportedly work in the mines of Séguéla and the surrounding areas.

B. Diamond dealers or smugglers

109. Mr. Siaka Coulibaly (see the previous reports, S/2006/735 and S/2006/964), who was interviewed in Bamako on 18 April 2007, confirmed that he left Séguéla in early 2003 following threats he had received from the rebels. He said he had never returned to the country since and deny that he had representatives in Séguéla. He also claimed that he had closed his diamond business and was now in the

agricultural inputs business. Mr. Coulibaly indicated that he would return to Séguéla as soon as peace was restored to Côte d'Ivoire.

110. On 2 May, the Group visited Mr. Sékou Sidibé (see the previous reports, S/2006/735 and S/2006/964) at Séguéla, where he has been living for several years. Mr. Sidibé stated that he was no longer a diamond dealer. In order to convince the Group, he took them on a tour of his two coffee and cocoa warehouses and three motorcycle shops.

111. In the Group's view, the presence of equipment and devices for the appraisal, evaluation and purchase of diamonds in his office and his sound knowledge of the sector and its networks appeared to indicate that he was still dealing in diamonds, at least as an intermediary.

112. Mr. Manma, a Malian national interviewed on 3 May 2007 at Séguéla, declared that he no longer had any interest in diamonds. According to him, he was currently involved in the more lucrative coffee, cocoa and cashew nut business in partnership with Sékou Sidibé. Yet, he contradicted himself by informing the Group about a shipment of diamonds he had received from Guinea which was subsequently dispatched to Europe after it had transited through Bamako.

113. The foregoing clearly shows that there is intensive diamond mining activity in Côte d'Ivoire and that smugglers might be using the Abidjan airport or neighbouring countries, especially Ghana and Mali, to smuggle diamonds out of the country.

C. Neighbouring countries: Mali and Ghana

114. During its visit to Mali, conducted from 16 to 20 April 2007, the Group met with the authorities of the Department of Geology and Mines, who stated that Mali had never exported diamonds officially, although illegal exports had always been reported.

115. From 26 to 30 March 2007, the Group's diamond expert participated as an observer in the Kimberley Process review mission to Ghana, following the moratorium on exports from that country imposed at the Kimberley Process plenary meeting in Gaborone in November 2006. Internal controls were the primary weakness noted by the 2005 review mission and by the Group of Experts in its previous report (S/2006/964). The mission noted that while the level of export control was very high, much of the production lay outside the official control chain. Unregistered operators, commonly known as "galamsey", produce over 75 per cent of Ghana's diamonds. Unless the "galamsey" are registered, there will be no way to prevent non-Ghanaian diamonds from entering the production chain through marketing channels.

116. Export data for the period 2000 to 2005 show that the volume remained more or less stable with an increase as from 2002. The Group finds it difficult to believe that the volume of artisanal diamond production has not been affected by the depletion of reserves over time; this suggests that diamonds are being smuggled from other countries of the subregion, particularly from Côte d'Ivoire.

D. International trading centres: Belgium and the United Arab Emirates

117. All the smuggled and illicitly traded diamonds are dispersed in the primary trading centres, where they are lost in the large volume of transactions.

118. The Group made two trips to Belgium, in March and May 2007, where it met with various parties involved in the diamond trade, including industry representatives, Kimberley Process secretariat officials and political figures.

119. Given the large number of diamond transactions in Belgium (7 out of every 10 diamonds transit through this country), it is probable that some smuggled diamonds escape the vigilance of the Belgian customs and Kimberley Process authorities. In addition, the Belgian authorities are now paying particular attention to all diamonds from Ghana, as seen from the legal proceedings undertaken against two Belgians who had relocated first to Côte d'Ivoire and then to Ghana after the Ivorian crisis began.

120. From 10 to 14 May 2007, the Group visited Dubai, where it met with the authorities of the Dubai Diamond Exchange and discussed, inter alia, the two cases involving the import of packages of diamonds, accompanied by Ghanaian certificates of origin, which were first seized and then released to the addressees.

121. One diamond package, accompanied by Ghanaian certificate of origin No. 0000610, was seized in Dubai on 13 July 2006 (see S/2006/964). The package was released to the importer on 18 September 2006 after a second scientific examination by the World Diamond Council's Technical Group, which had initially concluded that the diamonds' origin was neither Ghanaian nor Ivorian and was probably South American.

122. The second examination report mentioned a strong resemblance among some diamonds from Ghana, diamonds from the Tortiya region of Côte d'Ivoire and diamonds from Guyana, in South America. The second package, accompanied by certificate No. 0000675, was seized in Dubai on 28 November 2006 owing to doubts regarding the certificate's authenticity based on variations in the colours with which it was printed and on the resemblance of its stones to those of the first package (see annex IV). The Precious Minerals Marketing Company Limited (PMMC) confirmed the document's authenticity, attributing the differences to the use of a new book. Nevertheless, the Dubai Diamond Exchange requested assistance from the World Diamond Council on two occasions in order to verify the stones' origin; the Council's opinion has not yet been transmitted. The package was finally released on 22 January 2007.

123. Despite the transparency and efforts of the Kimberley Process control services, some diamond imports and exports have reportedly escaped the Dubai Diamond Exchange authorities' notice. During the two-day investigation of the precious stones and commodities market in Dubai (Gold Land) on 13 and 14 May 2007, the Group met some individuals who stated that they had in their possession large quantities of diamonds of African origin without Kimberley Process certification.

XI. Recommendations

A. Monitoring of the embargo

124. In light of the difficulties that UNOCI has encountered in monitoring maritime traffic in transit through Ivorian ports, the Group considers that the permanent presence of at least one customs specialist within UNOCI would help improve the selectivity and targeting of inspections.

125. The scanner installed at the Autonomous Port of Abidjan by BIVAC International is a tool that UNOCI should consider using for targeted embargo inspections. In that connection, personnel assigned to the Port of Abidjan should be trained in image reading.

126. The Group encourages the embargo cell to continue its efforts to strengthen cooperation with the Ivorian authorities and, in particular, with the Customs Administration and the newly established Integrated Command Centre (CCI). The development of a climate of trust between UNOCI and these two agencies would facilitate implementation of the impartial forces' sanctions monitoring mandate and would help reduce the level of mistrust and reluctance that some Ivorian stakeholders have displayed in the past.

B. Mi-24 ammunition

127. The Group of Experts considers that the storage of this ammunition at the Air Transport and Liaison Group (GATL) base in Abidjan and at the San Pedro airport poses a serious threat and recommends that it be moved under UNOCI escort and that the storage conditions be monitored regularly.

C. Foreign technical assistance

128. The fact that the Ivorian military authorities have, thus far, consistently refused to give the experts a list of the foreign technicians providing maintenance services for the Mi-24 (TU-VHO) helicopter and to provide proof of their departure raises doubts as to the current situation. The Group reiterates its request for information on the presence of these technicians.

D. Arms

129. The repeated cancellation of the meeting that would have allowed the experts to inspect the package of ammunition exported illegally to Côte d'Ivoire by Yssouf Diabaté, which has been at the Ivorian Gendarmerie's headquarters for investigation since September 2006, is of particular concern to the Group and continues to raise questions as to the real location of this ammunition. The experts recommend that UNOCI conduct regular inspections of this package and seek an update on the progress of the legal proceedings.

130. The Group considers that the National Police has a genuine need for non-lethal law enforcement equipment. However, the experts regret the Ivorian police authorities' lack of transparency vis-à-vis the international community and stress the

absolute necessity of following the procedures established by the Sanctions Committee in any new attempt to purchase equipment subject to the United Nations embargo.

131. The experts regret that they were not able to inspect the equipment delivered by the Imperial Armour company in order to establish its true nature. They request the Ivorian Government to allow UNOCI to inspect it.

132. The Group recommends that UNOCI inspect the stockpiles of arms and related materiel of private security and transport companies.

133. The Group recommends that UNOCI pay particular attention to the cross-border trafficking of arms to Côte d'Ivoire during the disarmament, demobilization and reintegration process.

E. Natural resource management

134. The experts report a lack of transparency regarding the management of income from the exploitation of Côte d'Ivoire's natural resources on the part of Government authorities and Forces nouvelles leaders and regret that they were unable to open a dialogue with many of the stakeholders involved in these activities, particularly the quasi-Government entities of the coffee and cocoa sector.

F. Embargo on diamond exports from Côte d'Ivoire

135. The investigations conducted by the Group of Experts reveal continued exploitation of the diamond-mining areas of Côte d'Ivoire and suggest the existence of smuggling networks, including Malian and Ghanaian circuits, that are capable of violating the embargo on the export of Ivorian diamonds.

136. The Group urges the diamond sector monitoring authorities of neighbouring countries to be highly vigilant and to use all available means to minimize the risk that their markets could be used to allow diamonds from Côte d'Ivoire to enter international trade flows.

137. Because the monitoring of diamonds' origin is an international issue, the Group recommends that the Kimberley Process remain extremely vigilant concerning the implementation of monitoring measures by Process member States that are neighbours of Côte d'Ivoire.

Annex I

Meetings and consultations

Belgium

Government

Ministry of Foreign Affairs

Multilateral entities

World Diamond Council, Kimberley Process secretariat (provided by the European Union)

Burkina Faso

Government

Ministry of Foreign Affairs, Ministry of Security, Ministry of Defence, National Commission to Combat the Proliferation of Small Arms and Light Weapons, National Civil Aviation Administration

Côte d'Ivoire

Government

Ministry of Mines, National Gendarmerie Headquarters, National Police Headquarters, Customs Administration, Civil Aviation Administration, Société d'Exploitation et de Développement Aéroportuaire, Aéronautique et Météorologique (Airport, Aeronautical and Meteorological Management and Development Corporation (SODEXAM)) headquarters, Société pour le Développement Minier en Côte d'Ivoire (Côte d'Ivoire Mining Development Corporation (SODEMI)) headquarters, Office of the Treasury and Public Accounting, Groupement aérien de transport et de liaison (Air Transport and Liaison Group (GATL))

Forces nouvelles

Resource Management Centre

Private sector

Chamber of Commerce and Industry of Côte d'Ivoire, Groupe des producteurs pétroliers (Petroleum Producers Group (GPP)), Groupement professionnel des exportateurs de café et cacao (Coffee and Cocoa Exporters Group (GEPEX)), United Parcel Service (UPS), OMEIFRA, Group 4 Securicor, Flash Intervention, Lavegarde Sécurité, VIGAssistance, 911 Security, Gardian's Assistance, Risk, ASP, Union patronale des entreprises de sécurité privée de la Côte d'Ivoire (Private Security Company Employers' Union of Côte d'Ivoire), *Le Rebond* (newspaper)

Multilateral and bilateral entities

Licorne forces, United Nations Operation in Côte d'Ivoire (UNOCI), International Criminal Police Organization (Interpol) Sub-Regional Bureau, Agency for the Safety of Air Navigation in Africa and Madagascar (ASECNA) office

Diplomatic missions

Embassy of the United States of America, Delegation of the European Commission

France

Government

Ministry of Foreign Affairs

Ghana

Government

Ministry of Foreign Affairs, Ministry of National Security, Ministry of the Interior, Ministry of Finance and Planning, Customs, Excise and Preventive Service, Precious Minerals Marketing Company Limited (PMMC)

Private sector

Ghana Cocoa Board, Balaji Gemlust Company, Peri Diamonds, United Bank for Africa (formerly Standard Trust Bank)

Guinea

Government

National Customs Administration, Civil Aviation Administration, National Diamond Valuation Office, Ministry of Foreign Affairs

Private sector

Confédération Nationale des Diamantaires et Orpailleurs de Guinée (National Confederation of Diamond Dealers and Alluvial Gold Miners of Guinea)

Liberia

Government

Ministry of Justice, Ministry of Internal Affairs, Ministry of Foreign Affairs, National Security Agency

Multilateral and bilateral entities

United Nations Mission in Liberia (UNMIL)

Mali

Government

Department of Geology and Mines, National Committee against Small Arms Proliferation, Ministry of Foreign Affairs, Civil Aviation Administration

South Africa

Government

National police — Western Cape Province Intelligence Unit

Private sector

Imperial Armour, Tusk Trading Pty Ltd.

United Arab Emirates

Private sector

Dubai Diamond Exchange

United Kingdom

Multilateral and bilateral entities

World Gold Council, International Coffee Organization

Civil society

Amnesty International, Omega Research Foundation, Global Witness

United States of America

Government

Department of State, Department of the Treasury

Multilateral and bilateral entities

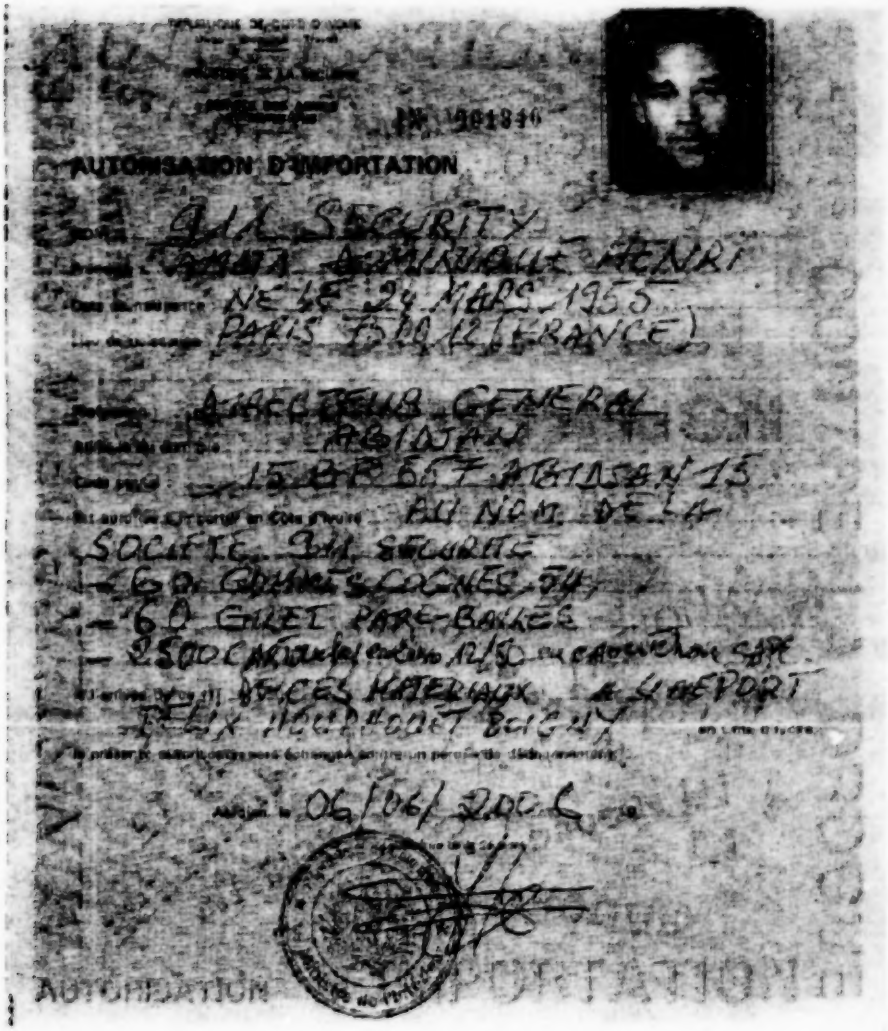
World Bank, International Monetary Fund (IMF)

Annex II

Air waybill for one of the deliveries made by Imperial Armour

Annex III

Import authorization for bulletproof vests for the 911 Security company



Annex IV

Ghanaian certificate of origin No. 0000675